

**MINUTES  
AUDIT SUBCOMMITTEE  
OF THE  
LEGISLATIVE MANAGEMENT COMMITTEE**

The Audit Subcommittee of the Legislative Management Committee met in Room 445, State Capitol Building, Salt Lake City, Ut, Tuesday, October 15, 2013 from 8:15 p.m. to 9:20 a.m.

Committee Members Present:      President Wayne Niederhauser, Co-Chairman  
   Speaker Rebecca Lockhart, Co-Chairman  
   Senator Gene Davis  
   Representative Jennifer Seelig

Legislative Audit Staff:           John Schaff, Auditor General  
   Rick Coleman, Deputy Auditor General  
   Tim Osterstock, Audit Manager  
   Darin Underwood, Audit Manager  
   Lynda Maynard, Recording Secretary  
   Brian Dean, Perf Audit Supervisor  
   Candace Ware, Sr Perf Auditor  
   Anndrea Parrish, Sr Perf Auditor  
   Derek Olson, Perf Auditor  
   Karleen Watson, Perf Auditor  
   Chris McClelland, Perf Auditor  
   Matthias Boone, Perf Auditor

Other Interested Parties:        Ted McAleer, Exec Director, USTAR  
   Mary Cardon, USTAR  
   Jim Grover, Finance Manager, USTAR  
   Ryan Streams, USTAR  
   Michael R. Skyler, Exec Director, Dept of Natl Res  
   Gregory Sheehan, Program/Field, Operations Admin,  
   Div of Wildlife Resources  
   Devin Hansen, U of U  
   Steve Roy, Utah Valley University  
   Meg Holbrook, Zions Bank  
   Dr. Robert T. Behunuin, Ph.D., VP, USU  
   Natalie Tippetts, U of U  
   Neil Abercombie, USU  
   Valoree Dowell, U of U  
   Laura Marks, U of U  
   Tom Parks, U of U  
   Zack King, Legis Fiscal Analyst  
   Antone Clark, *Standard Examiner*  
   *And Others as Listed*

## **1. Call to Order**

Speaker Lockhart called the meeting to order at 8:15 a.m.

## **2. Approval of Minutes**

Motion: President Niederhauser made a motion that the minutes from September 19, 2013 Audit Subcommittee meeting be approved. The motion passed unanimously.

### **3a. A Performance Audit of Utah Science Technology and Research (USTAR) #2013-12)**

Presented by: Brian Dean, Audit Supervisor

#### **Discussion following Presentation**

Ted McAleer, Executive Director, USTAR, responded to the audit presentation. Mr. McAleer said that USTAR appreciated the dedication and professionalism of the audit staff and believes the audit recommendations fall into three categories: 1) Performance, 2) Investment returns, and 3) Policies and Procedures and USTAR is committed to managing all three areas on a monthly basis at their USTAR Governing Board Meetings.

Motion: President Niederhauser made a motion that the **Performance Audit Utah Science Technology and Research (USTAR) Report#2013-12**, be referred to the Executive Appropriations Subcommittee, the Business, Economic Development and Labor Appropriations Subcommittee, the Higher Education Appropriations Subcommittee, and the Business and Labor Interim Committee. The motion passed unanimously.

### **3b. A Review of Appropriated Wolf Management Funds #2013-11)**

Presented by: Tim Osterstock, Audit Manager

#### **Discussion following Presentation**

Michael R. Styler, Executive Director, Dept of Natural Resources (DNR) told the Audit Subcommittee that the monies allocated were unbelievably well spent and the results unbelievably successful

Gregory Sheehan, Division of Wildlife Resources (DWR), in response to questions from the Audit Subcommittee, said that DWR believes—

- This appropriation was legally appropriated and it did go through all the processes
- The money was legally expended through State processes, through State Purchasing and State Finance

- The money was legally used by the contractor in accordance with the contract that was awarded and they produced the desired results
- The contractor fulfilled their commitments in their proposal
- The contract achieved the desired results that the State required through Senate Bill 36

Motion: President Niederhauser made a motion that the **Review of Appropriated Wolf Management Funds**, Report #2013-11, be referred to the Natural Resources, Agriculture and Environmental Quality Appropriations Subcommittee, the Natural Resources, Agriculture & Environment Interim Committee, the Legislative Process Committee, and the Infrastructure and General Government Appropriations Subcommittee, asking them to specifically look at the process and the procurement issues and the appropriate accounting of funds to non-profits. The motion passed unanimously.

#### **4. New Audit Request**

After a discussion of the Requested Audits, the following motion was made.

Motion: Representative Seelig made a motion that the request for an audit of the Western States Contracting Alliance (WSCA) be approved and moved to the Future Audits. The motion passed unanimously.

#### **5. Adjournment**

Speaker Lockhart adjourned the meeting at 9:20 a.m.